



University of  
Zurich<sup>UZH</sup>

President

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# Autonomy and freedom: The future sustainability of universities

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Michael O. Hengartner

President of the University of Zurich and President of swissuniversities



# Financial Autonomy of the University of Zurich and other Swiss Higher Education Institutions (HEI)

## Switzerland

The Swiss university sector is composed of ten universities, each regulated by and operating in one given Swiss canton, and two federal institutes of technology (in Zurich and Lausanne), which have specific statuses. The large majority of Swiss students are registered with the cantonal universities. Higher education in Switzerland also includes universities of applied sciences and universities of teacher education. In 2011, a federal law was passed in relation to the funding and the coordination of the Swiss higher education sector. As a result, university associations were re-organised at a federal level, and political coordination was enhanced through the creation of an arena bringing together both the cantonal ministers and the federal minister responsible for higher education.

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**24th**  
in Organisational

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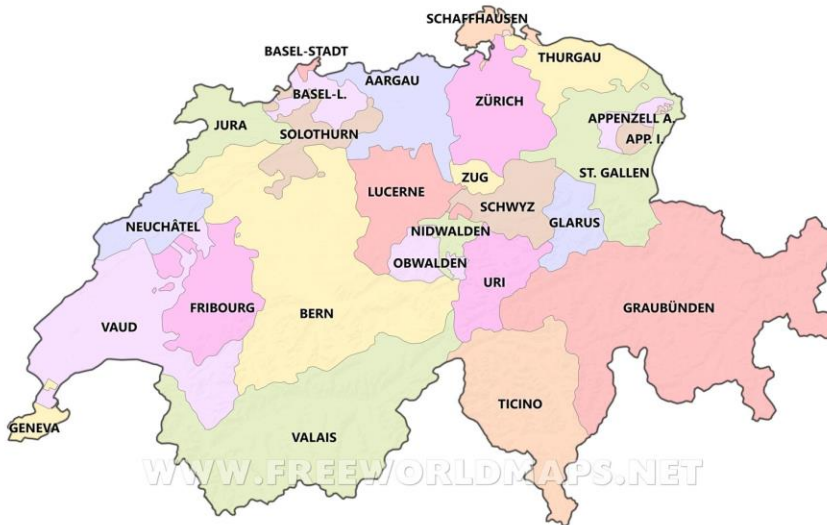
**12th**  
in Financial

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**4th**  
in Staffing

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**12th**  
in Academic



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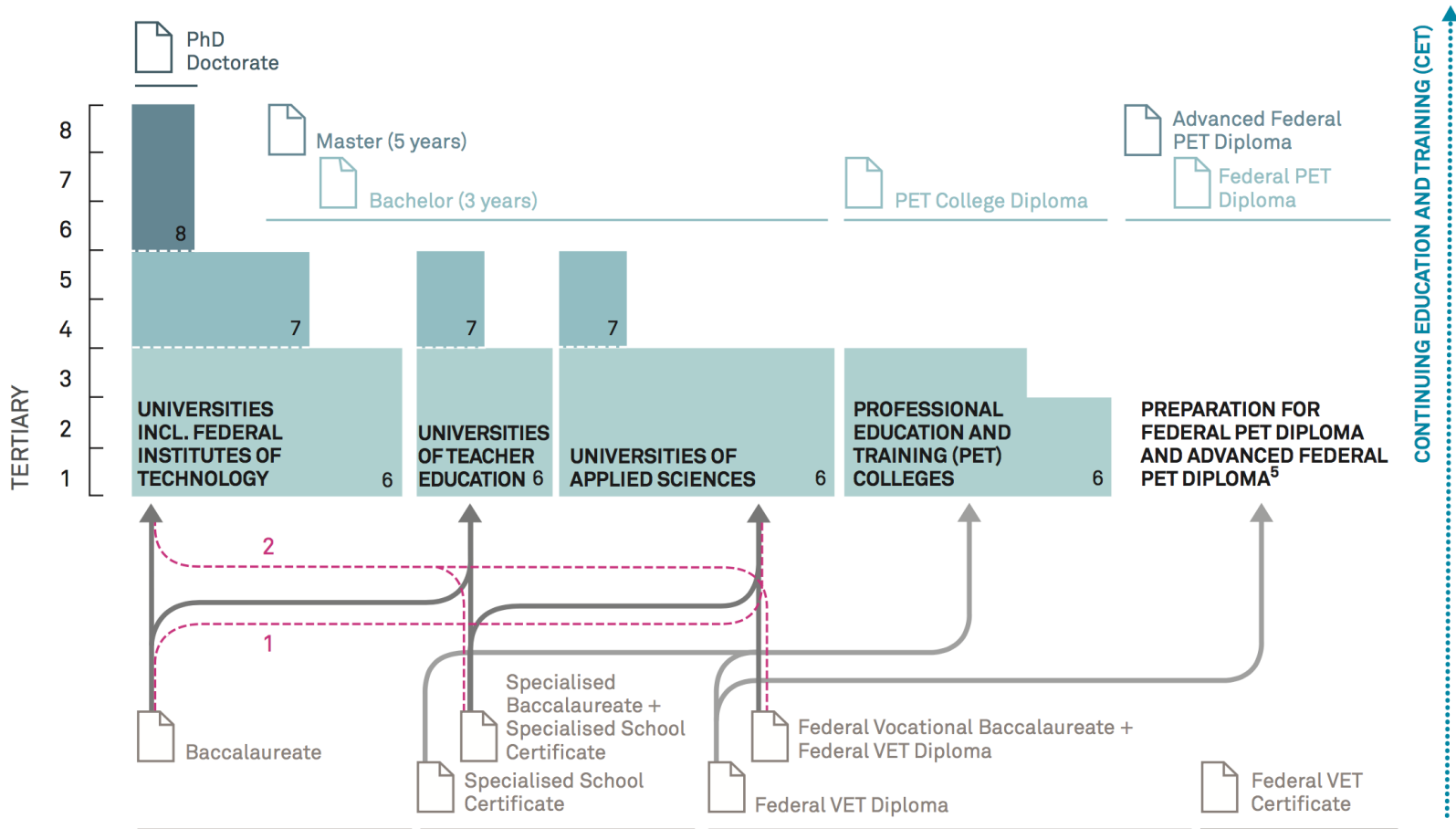
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# The funding system of Swiss HEI



# The Swiss higher education system





## Different funding system for each type of Higher Education Institution (HEI) (1/2)

- **10 Universities:**
  - mainly financed by the regional authorities (“Cantons”)
  - federal funding available for education, research and infrastructures (approx. 1/5 to 1/3 of total budget)
  
- **2 Federal Institutes of Technologies (ETHZ/EPF):**
  - 100% public funding from the Confederation



## Different funding system for each type of HEI (2/2)

- **8 Universities of applied sciences (UAS):**
  - mainly financed by the Cantons
  - federal funding available for education, research and infrastructures (approx. one third of total funding)
- **14 Universities of teacher education (UTE):**
  - fully financed by the Cantons
  - federal participation limited to projects
- Non-government funding represents 10% to 30% of the total budget depending on the institution.



## Financing from the Confederation (Federal Higher Education Act)

- **Four-year funding periods**
  - current period 2017-2020,
  - total of approx. CHF 26 billions for research and higher education
- **Three types of contributions**
  - Basic contributions:
    - block grants for ETHs
    - Universities and UASs: competitive distribution based on a key that measures teaching and research
  - Contributions to cover expenditure for construction and use of buildings
  - Project-based contributions



## Financing from the Cantons

- Financial contributions of the home Canton: depend to a great extent on the prosperity of each region
- Tuition fees: different for each HEI, decided by Cantons and universities, make up only a small part of the overall budgets (UZH: ca. 1'000 EUR / year)
- Inter-cantonal funds transfer: other Cantons pay the HEI Canton a significant fee for each student from their canton that attends a cantonal HEI.





## Other financing issues

- Infrastructures: in general owned by the public authorities (Cantons/Confederation)
- Financial autonomy of the HEIs (borrowing right, spending regulations, etc.): depend to a large extent on cantonal laws  
Basically: great freedom on how to spend yearly contribution given by government, limited financial freedom in other respects.



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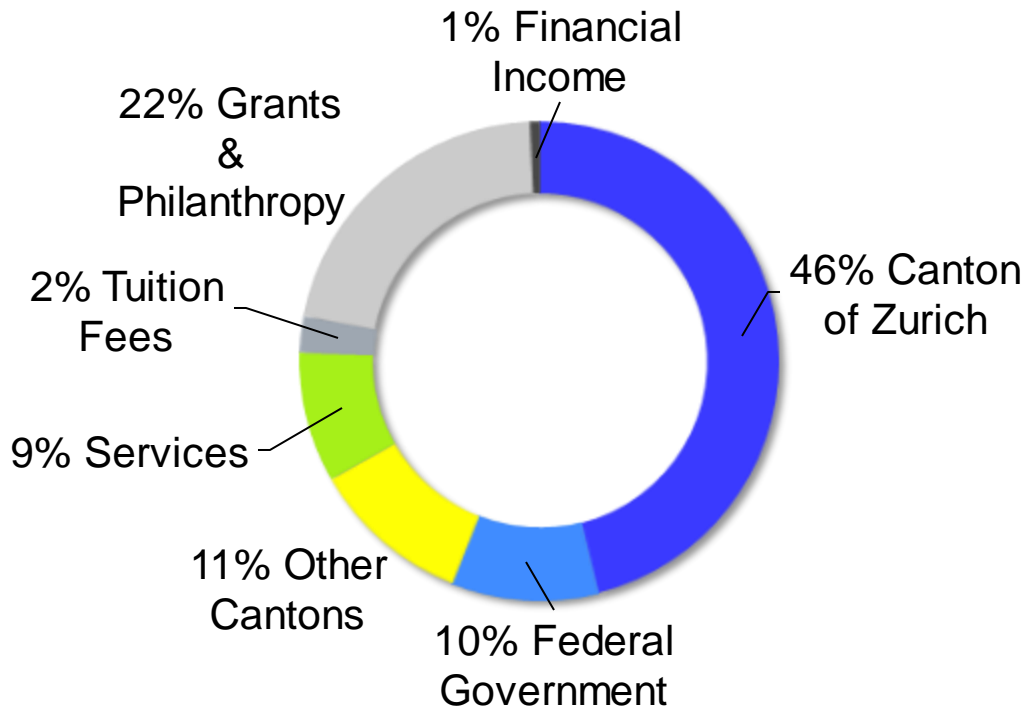
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**Example: the University of Zurich (UZH)**



## Source of Funds

Total 2015 budget: 1'377 kCHF → ~ 1'2500 kEUR



- Canton of Zurich: 1-year block grant, no key
- Federal Gov: based on a key:  
70% education / 30% research
- Other cantons: based on number of their students @UZH:  
SSH: 10 kEUR/year  
MINT: 20 kEUR/year  
Medicine: 40 kEUR/year
- Tuition fees: ~ 1250 EUR/year



## UZH Fundraising and Philanthropy

UZH aims to increase its support from philanthropic sources over the coming years.

- Alumni organization
- UZH Foundation



**Zürcher Universitätsverein**  
Ehemalige und Freunde der UZH



**UZH FOUNDATION**  
Die Stiftung der Universität Zürich



## Wyss Zurich: a new joint venture of UZH und ETH

- Entrepreneur and billionaire Hansjörg Wyss announces in 2014 a USD 120 million donation to UZH and ETHZ to found a new joint research center.
- Focus of the Wyss Zurich is on translation research in medicine and robotics (first in man studies, bionics).



Wyss (center) with Wyss Zurich directors Simon Hoerstrup (UZH and USZ, left) and Roland Siegwart (ETHZ, right)



## Jacobs Center for Productive Youth Development

- UZH and the Jacobs Foundation agree 2014 to expand their collaboration in the area of youth development.
- Investments of over 70 million CHF over the next 20 years.
- The new center has an explicit mandate to focus on interdisciplinary approaches.





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# Concluding remarks



## Some thoughts about the Swiss system

- The system is complex but offers quite some liberty for the HEIs.
- National tendency towards greater control and standardization (for example: reference costs for the funding cycle 2021-2024, new accreditation standards, etc).
- Increasing financial pressure on HEIs; higher education is no more “protected” from budget cuts of public authorities.
- Despite these tendencies there is still great confidence in the reliability of the political authorities and their support of research and education.
- Challenges:
  - Ensuring that the public support for education and research remains strong.
  - Making sure that the HEIs will continue to operate within a good and stable framework (i.e. participation in the European framework research programs).





## Is the glass half full or half empty?





## Is the glass half full of half empty?

